



COUNCIL CONNECT

Excellence Through Leadership & Collaboration

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**San Francisco Proposes
“Family Friendly Workforce Ordinance”**

The San Francisco Board of Supervisors is acting to place an ordinance on the November 2013 ballot (elections are held every year in The City) to require a “Family Friendly Workplace” for all employees. Very openly, this ballot measure is a political statement following proposals by Hilary Clinton, Nancy Pelosi, and the late Ted Kennedy. In fact, the author announced his disappointment that Vermont had just passed such a law, beating San Francisco to the punch. Other cities and states are expected to take up this cause in the future.

In its final form, the ordinance gives employees the ability, twice per year or in an emergency, to request flex time or time off if there is a family problem. The employer may turn them down. Three years of record keeping is required and if the employer is found to have unreasonably refused a request, fines are possible. Additionally, the ordinance would require covered employers to provide employees with a two-week notice of schedule or shift changes.

Originally, the Hospital Council and other employer groups were committed to stop this ordinance, but the author, Board of Supervisors President David Chiu, worked with us on modifications and the employer community adopted a neutral position on the ordinance. We were successful in obtaining amendments providing regulatory authority to exempt hospitals from the notification requirements or any other policy that would affect the proper care of patients. Mr. Chiu extended the legislative process two weeks so our amendments could be included.

San Francisco hospitals already have “family friendly” policies, at significant cost to hospitals. This ordinance is a political statement, but at least the concerns of hospitals were well recognized and several Supervisors assured us that the ordinance would contain the needed protections for hospitals and patients. They lived up to their word.

The San Francisco Board of Supervisors’ Rules Committee unanimously voted to support the “Family Friendly Workplace Ordinance”. The entire Board of Supervisors will vote on it next Tuesday, July 30th. There are two protections for our hospitals:

1. This ordinance does not apply to employees covered by a collective bargaining agreement.
2. Medical personnel in hospitals may be exempt if approved by the Office of Labor Standards Enforcement in consultation with the City’s Director of Human Resources. (Hospital Council will meet with the county as soon as the ordinance is passed to ensure that hospitals are able to protect and care for patients. David Chiu will be supportive.)

If adopted, the ordinance will take effect July 1, 2014. Supervisor London Breed made a strong statement that this ordinance is an example of another burden on employers. President Chiu will decide next Tuesday whether this will be a regular ordinance or a measure on the November 3, 2013 ballot. The Mayor still has some questions about the ordinance.

For additional information, contact Ron Smith, SVP San Francisco, rlsmith@hospitalcouncil.net.

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Transparency Drives a “Win/Win/Win” Solution in Retention Planning



Legislators, regulators, unions, the media and the general public are increasingly pushing for more transparency of

nonprofit healthcare organizations. Public reporting requirements, such as the IRS Form 990, help to ensure financial practices are visible to the public. As a result, boards and compensation committees are challenged to determine what is right for the retention of executive talent, the organization, and the community served. Boards of hospitals and health systems across the country have been stymied in addressing their compensation philosophy by these three seemingly competing objectives.

In response to this issue, Hospital Council set out to find a solution for our members. With much due diligence and the help of leading accounting and legal firms, we discovered a strategy to meet the objectives of the executive, organization and community. We call it a “win/win/win.”

Guided by a socially responsible approach to retention planning, this alternative type of executive benefit program returns all funding dollars of the plan, plus interest, back to the organization. By doing so, it essentially transforms an executive benefit expense into a growing asset. It is reported on Form 990 as an interest-bearing loan on Schedule L, not as a compensation expense on Schedule J. This “win/win/win” approach to executive benefit planning is evidenced by:

- The organization “wins” with improved balance sheet treatment and responsible Form 990 reporting.
- The community “wins” with enhanced financial stewardship to benefit the mission and more favorable perception of funding allocation.
- The executive “wins” with a competitive retirement package that satisfies retention objectives.

The increased demands for transparency are making hospitals more accountable to the communities they serve. This is driving more equitable outcomes for all stakeholders. We believe the CAP-Ex Program may very well become the preferred alternative to traditional retirement funding. It features better book treatment and greater flexibility to retain top talent alongside a sustainable business practice that encourages financial

security for years to come.

Join us in August for a complimentary informational webinar on the CAP-Ex program designed specifically for our CEOs and CFOs. For information on the webinars contact Jeanne McAuliffe at jmcauliffe@hospitalcouncil.net.

For additional information on the CAP-Ex program contact Art Sponseller at asponseller@hospitalcouncil.net.

Improve Physician Relationships with Verge Solutions

Physician turnover has hit its highest rate since 2005, according to the 8th annual



Physician Retention Survey from Cejka Search and the American Medical Group Association. A good foundation can improve your physician relationships and prevent turnover. Learn how Verge worked with Lakeway Regional Medical Center before they even opened their doors to create a comprehensive practitioner file management system, implement an automated application process and develop an efficient process that benefits physicians and Medical Staff administrators. (See attached detailed article.)

Verge Solutions, LLC offers SaaS solutions to automate and streamline complex, non-clinical processes. Combining the collective wisdom of our customers with our software expertise, Verge partners with hospitals to analyze data and measure outcomes – empowering hospitals to focus on patient-centric care.

For more information, see attached and contact Laurel Chavez, Director of Operations, 916-552-7653.

HFMA Northern California Fall Conference Set for September

The Healthcare Financial Management Association (HFMA) Northern California Fall Conference is set for September 16 - 17 at the Hilton Hotel in Concord. Hospital Council is proud to be a supporter of this annual event tailored for health care financial management. The fall conference features two keynote addresses and 24 breakout sessions on finance, business analytics, compliance, reimbursement and contracting, patient access, and revenue cycle. A special supplemental track is also planned to guide hospitals

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